

**"UNDER SEAL"**

AO 442 (Rev. 11/11) Arrest Warrant

## UNITED STATES DISTRICT COURT

for the

Western District of North Carolina

United States of America

v.

Case No. 3:19-CR-169-MOC

SAMPSON PEARSON

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*Defendant***ARREST WARRANT**

To: Any authorized law enforcement officer

**YOU ARE COMMANDED** to arrest and bring before a United States magistrate judge without unnecessary delay(name of person to be arrested) SAMPSON PEARSON,

who is accused of an offense or violation based on the following document filed with the court:

Indictment     Superseding Indictment     Information     Superseding Information     Complaint  
 Probation Violation Petition     Supervised Release Violation Petition     Violation Notice     Order of the Court

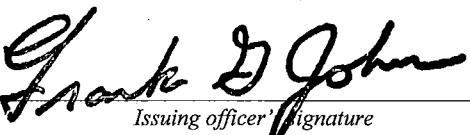
This offense is briefly described as follows:

From in or about Sept. 2005 through in or about Nov. 2016, in Meck. Co., within the WDNC, and elsewhere, the defendant, did knowingly and intentionally devise the above-described scheme and artifice to defraud and obtain money by materially false and fraudulent pretenses, representations, and promises, and, for the purpose of exe. such scheme and artifice to defraud, did cause to be transmitted by means of wire comm. in interstate commerce writings, signals, and sounds, to wit, submitting fraudulent loan and distribution documentation via wires, communicating with victims via text message and email, and directing electronic transfers of funds. All in violation of Title 18, U.S. Code §1343

Date: 6/18/19

CHARLOTTE, NORTH CAROLINA

City and state: \_\_\_\_\_



Issuing officer's signature

FRANK G. JOHNS, CLERK OF COURT

Printed name and title

**Return**

This warrant was received on (date) \_\_\_\_\_, and the person was arrested on (date) \_\_\_\_\_  
 at (city and state) \_\_\_\_\_.

Date: \_\_\_\_\_

Arresting officer's signature

Printed name and title

**"UNDER SEAL"**

IN THE UNITED STATES DISTRICT COURT  
 FOR THE WESTERN DISTRICT OF NORTH CAROLINA  
 CHARLOTTE DIVISION

**FILED  
CHARLOTTE, NC**

UNITED STATES OF AMERICA

DOCKET NO. 3:19-cr-169-MOC JUN 18 2019  
BILL OF INDICTMENT  
 US DISTRICT COURT  
 WESTERN DISTRICT OF NC

v.  
 )  
 SAMPSON PEARSON

)  
 Violations: 18 U.S.C. § 1343  
 ) 18 U.S.C. § 1028A  
 ) 26 U.S.C. § 7206(1)

**THE GRAND JURY CHARGES:**

At the specified times and at all relevant times:

1. From in or about September 2005 through in or about November 2016, the defendant Sampson PEARSON, a financial representative at Company A, devised and executed a scheme to defraud Company A and its clients by submitting false and fraudulent loan applications and annuity distribution requests against the clients' accounts without their knowledge or authorization. PEARSON directed Company A to deposit the proceeds of the fraudulently obtained loans into an account he secretly controlled and then used the funds to pay personal expenses and fund his lifestyle. During the course of the scheme, PEARSON defrauded Company A and at least ten victim-clients out of more than \$570,000.

2. At all relevant times, Company A was a financial services business headquartered in Milwaukee, Wisconsin that sold insurance and investment products and services to millions of customers throughout the United States.

3. From in or about March 2001 through in or about March 2017, PEARSON, a resident of Charlotte, North Carolina, offered and sold life insurance products and annuities as an independent contractor with Company A's Charlotte Network Office.

4. PEARSON induced Company A to authorize fraudulent loans and disbursements against its clients' insurance policies and annuities using false and fraudulent pretenses, representations, and promises. In addition, PEARSON made false and fraudulent representations and promises to victim-clients to carry out the scheme and to conceal its existence. Such misrepresentations generally and at various times included the following:

- a. PEARSON submitted false loan applications and disbursement requests to Company A designed to appear as if they were legitimate requests made by the victim-clients, when in truth and fact the victim-clients were unaware of and had not authorized the loans and disbursements against their policies and annuities.

- b. PEARSON provided fictitious explanations for the fraudulently obtained loans and distributions in memoranda to Company A's Investment Client Services Division.
- c. PEARSON changed the addresses on file with Company A from one or more victim-clients' actual addresses to his own personal address to enable him to fraudulently obtain loans and distributions without being detected.
- d. PEARSON falsely represented to Company A that the proceeds of the loans and distributions would be deposited into accounts controlled by the victim-clients by listing the victim-clients as the "Owner" of the account on request forms and providing Company A with copies of voided checks altered to appear as if the victim-clients were the true accountholders, when in truth and fact PEARSON was the owner and sole signatory of the account into which the fraudulently obtained funds were deposited.
- e. PEARSON told victim-clients that he was investing their money in a different investment product purportedly offered by Company A ("FOREX") to conceal the fact that he had diverted funds from the victim-clients' insurance policies and annuities and had converted the funds for his personal benefit.
- f. PEARSON provided clients with fraudulent documentation related to the purported FOREX investments, including bogus account balances and client lists that falsely reflected an association with Company A.
- g. When victim-clients questioned what happened to their insurance policies and annuities, PEARSON made false representations about the loans and distributions, including telling victim-clients that 1099-R forms related to the loans and distributions could be "discarded" and had been sent by "mistake."
- h. To avoid detection, PEARSON made lulling payments to one or more victim-clients using funds diverted from other victim-clients' insurance policies and annuities.

5. In furtherance of the scheme, PEARSON used and attempted to use one or more means of identification that belonged to the victim-clients, including names, social security numbers, addresses, and unique electronic identification numbers.

6. For calendar years 2013, 2014, 2015, and 2016, PEARSON filed false federal income tax returns that failed to report income he received from, among other things, the loans and disbursements PEARSON obtained from the victim-clients' insurance policies and annuities purchased from Company A. For years 2013 through 2016, PEARSON earned the following unreported income, for which additional taxes were due and owed:

Calendar Year	Unreported Income
2013	\$72,186.59
2014	\$89,932.01
2015	\$63,372.00
2016	\$92,550.00
<b>Total</b>	<b>\$318,040.60</b>

**COUNT ONE**  
**18 U.S.C. § 1343**  
**(Wire Fraud Scheme)**

7. The Grand Jury re-alleges and incorporates by reference herein the allegations contained in paragraphs 1 through 5 of this Bill of Indictment, and further alleges as follows:

8. From in or about September 2005 through in or about November 2016, in Mecklenburg County, within the Western District of North Carolina, and elsewhere, the defendant,

**SAMPSON PEARSON,**

did knowingly and intentionally devise the above-described scheme and artifice to defraud and obtain money by materially false and fraudulent pretenses, representations, and promises, and, for the purpose of executing such scheme and artifice to defraud, did cause to be transmitted by means of wire communication in interstate commerce writings, signals, and sounds, to wit, submitting fraudulent loan and distribution documentation via wires, communicating with victims via text message and email, and directing electronic transfers of funds.

All in violation of Title 18, United States Code, Section 1343.

**COUNTS TWO THROUGH FIVE****18 U.S.C. § 1028A****(Aggravated Identity Theft)**

9. The Grand Jury re-alleges and incorporates by reference herein the allegations contained in paragraphs 1 through 5 of the Bill of Indictment, and further alleges as follows:

10. On or about the dates listed below, within the Western District of North Carolina, and elsewhere, the defendant,

**SAMPSON PEARSON,**

did knowingly use, without lawful authority, a means of identification of another person, as defined in Title 18, United States Code, Section 1028(d)(7), during and in relation to the commission of one or more federal felony violations, as enumerated in Title 18, United States Code, Section 1028A(c), as described below:

<b>Count</b>	<b>Victim</b>	<b>On or About Date</b>	<b>Means of Identification</b>	<b>Federal Felony Violation</b>
2	AG	07/15/2014	Name, SSN/TIN, Contract Number, Address	18 U.S.C. § 1343, as charged in Count One
3	CP	11/20/2014	Name, SSN/TIN, Policy Number, Address	18 U.S.C. § 1343, as charged in Count One
4	VP	07/31/2015	Name, SSN/TIN, Policy Number, Address	18 U.S.C. § 1343, as charged in Count One
5	CP	04/04/2016	Name, SSN/TIN, Contract Number	18 U.S.C. § 1343, as charged in Count One

All in violation of Title 18, United States Code, Section 1028A(a)(1).

**COUNTS SIX THROUGH NINE****26 U.S.C. § 7206(1)**  
**(Filing False Tax Returns)**

11. The Grand Jury re-alleges and incorporates by reference herein the allegations contained in paragraphs 1 through 6 of the Bill of Indictment, and further alleges as follows:

12. On or about the dates listed below, within the Western District of North Carolina, the defendant,

**SAMPSON PEARSON,**

did willfully make and subscribe U.S. Individual Income Tax Returns, Forms 1040, for the calendar years described below, which income tax returns were signed by the defendant and verified by a written declaration that they were made under the penalties of perjury. The defendant did not believe the tax returns, which were filed with the Internal Revenue Service, to be true and correct as to every material matter, in that the defendant reported his total income on Line 22 were the amounts described below, whereas the defendant then and there well knew and believed his total income for said calendar years was substantially in excess of the amount reported:

Count	On or About Date	Calendar Year	Total Income on Line 22
6	April 15, 2014	2013	\$49,304.76
7	April 15, 2015	2014	\$35,228.43
8	April 15, 2016	2015	\$46,495.89
9	April 15, 2017	2016	\$10,241.87

All in violation of Title 26, United States Code, Section 7206(1).

**NOTICE OF FORFEITURE AND FINDING OF PROBABLE CAUSE**

13. Notice is hereby given of 18 U.S.C. § 982 and 28 U.S.C. § 2461(c). Under § 2461(c), criminal forfeiture is applicable to any offenses for which forfeiture is authorized by any other statute, including but not limited to 18 U.S.C. § 981 and all specified unlawful activities listed or referenced in 18 U.S.C. § 1956(c)(7), which are incorporated as to proceeds by § 981(a)(1)(C). The following property is subject to forfeiture in accordance with §§ 982 and/or 2461(c):

- a. All property which constitutes or is derived from proceeds of the violations set forth in Counts One through Five of this Bill of Indictment;
- b. All property involved in such violations or traceable to property involved in such violations; and
- c. If, as set forth in 21 U.S.C. § 853(p), any property described in (a) or (b) cannot be located upon the exercise of due diligence, has been transferred or sold to, or deposited with, a third party, has been placed beyond the jurisdiction of the court, has been substantially diminished in value, or has been commingled with other property which cannot be divided without difficulty, all other property of the defendant/s to the extent of the value of the property described in (a) and (b).

A TRUE BILL

[Redacted]  
Foreperson

R. ANDREW MURRAY  
UNITED STATES ATTORNEY

  
WILLIAM M. MILLER  
ASSISTANT UNITED STATES ATTORNEY